

JUDGE OWEN WINS HIS FIGHT WITH THE VIRTUE

**Injunction Restraining Him From Removing
Rich Tailing Dissolved by
Judge Eakin.**

Ernest Dale Owen, president and general manager of the Cyclone mine, six miles northeast of Baker City, arrived in Sumpter yesterday, accompanied by Assayer Homer C. Inius and George Boreman, of Baker. Judge Owen visited the smelter to personally supervise the sampling of a shipment of tailings from the celebrated old Virtue mine, just over the ridge from the Cyclone.

It is Judge Owen's connection with these Virtue tailings which has recently brought him prominently before the public eye. As has been related in these columns, Judge Owen not long ago secured an option on the tailings dump of the old Virtue from General Manager J. K. Romig, of the newly reorganized Virtue Corporation. The tailings were from the old Virtue stamp mill, which dropped stamps thirty years ago on the richest free gold ore ever taken from an eastern Oregon mine. In those days, stamp milling practice had not been reduced to an exact science, and the result was that, between screens of too coarse a mesh, stamps with too rapid a drop, and ore feeders of antiquated pattern, only a low percentage of value was saved by amalgamation. Also, no attempt was made to save the extra values in the tailings and slimes. This primitive old mill was located about 200 yards down the hill from the present Virtue twenty-stamp mill. The tailings were permitted to wash down into a little gully and then distribute themselves all over the Virtue flat. In later years a dam was constructed and the tailings impounded for a couple of years. When the present mill was built and the old one dismantled, year after year of alluvial wash from the surrounding hills covered the old tailings dump, sage brush and bunch grass grew, and the fact was soon forgotten that under the surface lay about 2,000 tons of mighty rich mud. It was through George Boreman's recollection of old times that Judge Owen came to know about those old tailings. From General Manager Romig he secured permission to take out seventy-five tons of samples free. For each additional ton he contracted to pay seventy-five cents. The contract further provided for an option to purchase, on or before January 1, 1905, the entire dump for \$1,400.

Just below the spot where the old mill stood, a well had been dug in those good old days. An insufficient flow of water was found, and the well was abandoned. Tailings from the old mill seeped into this well until it was filled. Judge Owen's first samples were taken from this well. Imagine his surprise, when he found

bits of amalgam and, coarse gold, as well as high gold values in a concentrated form. These initial samples assayed better than \$100 per ton.

Very promptly General Manager Romig secured a temporary injunction, restraining Judge Owen from removing any more of the valuable mud, alleging that the contract provided simply for the taking of samples, while Judge Owen was removing a heavy tonnage for commercial purposes. An order to show cause why the injunction should not be made permanent, issued by Circuit Judge Robert Eakin, resulted in bringing the matter on for a hearing in La Grande. The contract was introduced in evidence, witnesses for the defense testified that only fifty tons had so far been removed, while the contract allowed seventy-five tons, arguments were made, and Judge Eakin took the matter under advisement.

Today a telephone message to Judge Owen from his attorney in Baker City, Hon. William Smith, states that the court has dissolved the injunction and decided every point in Judge Owen's favor. The latter left this afternoon for Baker City, and will at once make up a big shipment of the tailings to the Sumpter smelter. He announces that before his option expires he will pay the Virtue the \$1,400 mentioned in the contract.

No returns have yet been received from the smelter sampling work; on the big shipment brought up yesterday, but Assayer Inius, who has made repeated tests personally, is sanguine in a belief that a big profit will be made on the shipments to be made.

Suits Against the Morning Withdrawn.

An agreement has been reached and Monday at Canyon City a motion will be made to have the suits dismissed that were brought against the Morning Mining company, by the Oregon Development company, which means Messrs. T. W. Davidson and Arthur Brown. One of these was for damages, they having sold the mine under an option and the owners refused to deliver. The other suit was an injunction, restraining the owners from working the property.

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IMPERIAL MINE SOLD FOR SEVENTY-FIVE THOUSAND

**Rich Cable Cove Property Said to Have
Passed Into the Hands of a
Detroit Syndicate.**

It is reliably reported that the Imperial mine, in Cable Cove, has been sold to a Detroit syndicate, for \$75,000, \$40,000 of which is cash, deposited at 10 o'clock this morning in a Salt Lake bank.

The gentlemen who effected the sale were A. L. McEwen, Kenneth O. McEwen and John Arthur, all of Sumpter, who held the mine under a lease and bond. Their share of the price paid by the purchasers is said to be \$11,000.

The \$40,000 said to have been deposited in Salt Lake this morning as an initial payment of the mine will pass into the following hands: \$5,000 to Captain A. M. Paul, principal owner of the property, who holds a mortgage in that sum against the mine; \$4,000 to John Shank, co-owner with Captain Paul, which sum also represents a mortgage on the property; \$11,000 to the lessees, McEwen, Arthur & McEwen; an extra sum of small dimensions to John Arthur in payment of a mortgage held by him; \$2,000 to individual claimants; \$2,000 to creditors of the mine, and the remainder, said to be about \$25,000, to be used as a working fund in the operation of the property.

On Thursday, November 3, A. L. McEwen returned to Sumpter from an extended trip to the east, accompanied by A. H. Sibley, of Detroit, president of a mining machinery manufacturing company; A. N. Humphrey, of Pittsburg, and G. Noble, of Denver, the two latter gentlemen being mining experts and engineers of national repute. The party immediately went to the mine and the two experts spent a week in a thorough examination.

Yesterday the Pittsburg expert, accompanied by Kenneth McEwen, left for Baker City, en route home. Neither of the gentlemen would consent to an interview, but from sources which are considered reliable it is learned today that the deal has been consummated.

A gentleman who has been in close touch with the negotiations for the past week said to a Miner man this morning:

"It is my belief that the sale of the Imperial has not yet been consummated and will not be until Mr. Noble, the Denver expert, submits his report to his principals. I am in a position to say that all the money for the purchase of the Imperial has been subscribed by a Detroit syndicate of wealthy manufacturers, and that it will be promptly paid over when the experts submit favorable reports.

"No one knows, of course, what the report of the experts will be, but we who know something about the

Imperial have no fear that it will be turned down."

Another feature which affords basis for a belief that the sale of the Imperial has been brought about, is the fact that suit to clear title to the property was yesterday instituted in Baker City, in the shape of a petition for adjudication filed by C. W. Nibley against the Eagle Mining company, John Shanks and John Arthur. The plaintiff seeks to recover \$10,000, money loaned, with eight per cent interest from November, 1901, and the additional sum of \$2,425.95 attorney's fees. This indebtedness is mentioned in the allotment of the \$40,000 in cash, deposited in Salt Lake.

The Imperial is one of the pioneer mines of Cable Cove. For many years it was profitably operated on a small scale, ore shipments having been made to remote smelters. Last summer McEwen, Arthur & McEwen, owners of the Sumpter Sampling Works, leased the mine, with option to purchase, and installed a small stamp mill, removed from the Sumpter plant. It proved to be a gratifying success, saving an exceptionally high percentage of values by concentration. The mine has been shipping high-grade concentrates and sorted ore in crude shape the Sumpter smelter for some time.

The plans of the new owners, it is said, include an enlargement of the mill and a heavy increase in output. It is believed that John Arthur will be retained as superintendent, with A. L. McEwen as manager.

Gives Alaska a Black Eye.

Hugh Gillis, of Sumpter, returned today from Alaska, with blackeye reports on the far northern country. Mr. Gillis left Sumpter in April for the Klondike. He visited the Tanana, Cook's Inlet, Resurrection Bay, Seward peninsula, the Klondike, all the Yukon river districts and Cape Nome. "I wouldn't give the Greenhorn mountain range for all of Alaska," said Mr. Gillis to a Miner reporter. "The country is overrun with wildcats. Outside of Douglas Island, there isn't a quartz mine in the far north. I went to look into some reported copper finds. I discovered that it was all hot air. The Klondike and Nome placer yields diminish each year. The country is overrated. Eastern Oregon is good enough for me."

Tom Kennerly, manager of the Gold Coin mine in the Greenhorns, who is also operating the Oregon King, on Silver Creek, came up from Baker City this morning and drove to the last named property.